Chief, RE (Attn: Chief, SH)

-5. März 1954

Chief of Base, Munich

COM

REDSOX/AEQUOR/Operational

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Transmittal of Progress Report

Transmitted herewith is the AEQUOR Progress Report for

February 195h.

h March 195h

Attachment: As stated above

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February 1954 Progress Report for AEQUOR

## 1. Headquarters Action Required:

- A. Discussion with AECAMBISTA  $l_{\!\scriptscriptstyle T}$  refuture of AECAMBISTA  $l_{\!\scriptscriptstyle T}$  KUBARK relations.
  - B. Approval of disposal plan of AECAMPOSANTO 11.
  - C. Decision on length of time KUGOWN subsidy to continue.
- D. Consideration proposal of AECAMBISTA 5 to perform operational mission.
- 2. Synopsis of Developments: AECAMBISTA 2 paid several visits to Munich to enable us to finish up the security investigation which was started in January. AECAMPOSANTO 10 contrary to our original belief never did show up in Louvain so his disposal became somewhat simpler. AECAMBISTA 2 paid AECAMPOSANTO 10 a visit in London and provided him with funds for resettlement. The disposal of AECAMPOSANTO 11 remained a sticky problem. AECAMBISTA 15 escorted AETINFOIL to Munich for brief assessment and interrogation but results were negative. On 25 February, AECAMBISTA 2 was informed that KUBARK had found it necessary to terminate the KUFIRE effort so far as Europe was concerned. The basis of future collaboration would be determined by discussions with AECAMBISTA 4. Upon finding out about termination KUFIRE effort, AECAMBISTA 5 broke with AECAMBISTA 2 and informed us he felt morally obligated continue active effort either with our help or without it.

## 3. Account of Developments:

A. AECAMBISTA 2 prepared and handed to us for transmittal a letter directed to our higher Headquarters and one addressed to AECAMBISTA 4. These documents have been forwarded to Headquarters in EGMA-10041. Perusal of the documents revealed that AECAMBISTA 2's line of thought has not changed since he wrote a similar document late in 1952. He still feels, no doubt with some justification, that KUBARK has made plans and promises without determining whether or not such could be implemented. His interest in working out a mutually advantageous program of collaboration has been on the wane since early in 1953. While cooperative enough in the investigation of the security problem, in Louvain, the overall attitude of AECAMBISTA 2 was quite "fatalistic" in the sense that he believed that no matter what was uncovered the end result would be the same, i.e. termination of those aspects of the Project with which he was concerned. This was quite apparent when on 25 February we told him that KUFIRE activities in Europe would be terminated. His reaction was simply to state that such an action was to be expected. AECAMBISTA 2 was told that the extent of any future collaboration with the AECAMBISTA 1 would depend upon the outcome of discussions with AECAMBISTA 4. Since there would still be the matter of subsidy payments for the newspaper, payments from holding accounts of AEQUOR II team, and minimal discussions on current team status, we arranged with AECAMBISTA 2 for meetings once a month. However, his salary of 15,000 Belgian Francs monthly would be terminated effective 31 March. Future payments to him.

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would involve only reimbursements for travel expenses. If some plan for payment of the subsidy other than through AECAMBISTA 2 can be developed even these visits can be eliminated.

- B. During February and prior to our last discussion with him, AECAMBISTA 2 took a quick trip to England to determine the exact status of AECAMPOSANTO 10. He declined to discuss the details of their conversation but hinted that it had been far from pleasant. However, he did determine that disposal of AECAMPOSANTO 10 would not be very difficult since the latter had already obtained a lead on a new job and that his losses would be in the neighborhood of only 50 pounds.
- C. We have not been so fortunate in disposing of AECAMPOSANTO 11. There was some indication that he would be able to obtain a job with TPLINGO but apparently there are no openings there for him. Actually he has very little if any qualifications for a job here in Germany. He could probably have obtained employment as a chauffeur if he knew how to drive. Lacking this ability the door was closed even for a menial task such as this. Since AECAMPOSANTO 11's visa expires in April, we have no alternative but to return him, with a payoff, to Louvain. It is doubtful whether security will suffer a great deal because of his seemingly premature return to his friends in Louvain. Apparently nobody believed him when he said he was coming to Munich to attend the university. The collapse of KUBARK-AECAMBISTA 1 relations in Europe is undoubtedly fairly common knowledge amongst his friends in Louvain.
- D. The visit of AETINFOIL to Munich proved to be somewhat of a fiasco. Discussions with him revealed a complete lack of interest in political events or activities and particularly so far as the Belorussian national cause was concerned. AETINFOIL's only apparent ambition is to obtain a stipend and attend the university at Louvain. His defection story seems to be fairly consistent although the lack of details on certain subjects remains a source of suspicion. However, an attempt to determine his bona fides beyond a shadow of a doubt would have involved more time than we had available. Also we could see no purpose in getting involved in what appeared to be a very complicated situation. Our only interest in AETINFOIL was as a possible recruit or protection of the AECAMBISTA 1-KUBARK interests in Louvain. With the termination of the latter, AETINFOIL remains basically an AECAMBISTA 1 problem. We informed AECAMBISTA 2 of our decision on the matter and warned him that although on the surface AETINFOIL appeared to be clean, there was still a possibility of a long range penetration of AECAMBISTA 1 to be considered. AECAMBISTA 2 undoubtedly will find some way to get AETINFOIL out of the student home.
- E. Upon finding out from AECAMBISTA 2 that things were coming to a close here in Europe, AECAMBISTA 5 had strong words and informed AECAMBISTA 2 and also AECAMBISTA 8 that he would not take the job for which he had been selected in TPLINGO. Rather he preferred to find some way of participating more actively in the cause. The next day AECAMBISTA 5 informed us of his decision. The extent of our conversations with him is reported in MUNI-6672.
  - F. AESKATE arrived in Frankfurt and entered stage one at CABEZONE.

    left Munich to participate in the debriefing. Since

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there have been no reports received in Munich on AESKATE's status, it is presumed that these will be sent to Headquarters direct from Frankfurt.

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